

Annual
Program Development Process
for
INDOT State Projects
(PDP-S)

Version 8.02

Indiana Department of Transportation

Divisions of
Program Development
&
Budget and Fiscal Management

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Introduction:

People travel. They do so by many means, but mostly by motor vehicles of one sort or the other. Their expectations are simple and reasonable. They want to reach their destination without undo delay, on a roadway with a smooth surface and which does not endanger life and property. In these matters they do not care who owns the road, or who is responsible for its upkeep. They pay taxes for their system of roads and bridges and expect good service.

Some want to have a voice in how the system is created and managed, to understand how projects are selected, and how much these things cost. Many are also concerned about how our system of transportation affects the natural environment and their communities and expect transportation agencies to be sensitive to this fact.

To meet these expectations takes people and money. It takes a working partnership of federal, state and local governments working closely with citizens groups, local planning agencies and the public.

Concepts and Principles:

To begin, a basic overview of the process is helpful in understanding the details.

To build, maintain and improve our system of transportation takes awareness of current and future conditions. We must be aware of what is happening to the existing system, and how it may, or may not, meet the demands of the future. All approved projects under development, regardless of time frame, is known as "the program".

Long Range Planning (7 to 20 years into future)

Long range transportation planning tries to understand what deficiencies in highway capacity will arise in the future before they become problems. It anticipates increased demand even before that demand materializes. Projects are then proposed and presented in a long range-planning (LRP) document.

This process leads to large-scale expansion projects such as new roads, interchanges, or the addition of more travel lanes on a roadway. These projects are typically not exempted from rendering a determination about their effects on air quality. These projects are then entered into the scheduling system so work can begin. The timeframe for planning is typically seven to twenty years into the future. In urbanized areas of 50,000 or more, planning by the state is done in cooperation with metropolitan planning organizations (MPOs) who develop plans of their own.

Short and Intermediate Term Programming (3 to 7 years into future)

Rather than anticipate needs in the long term, programming identifies those that are occurring, or will occur, in the very near future. Engineers, bridge inspectors, local officials and even motorists identify problems that should be addressed in the next few years, or sooner. The management systems of the Indiana Department of Transportation (INDOT) also contribute to our understanding of current conditions, and what needs to be done.

This process leads to system preservation projects such as intersection improvements, resurfacing, bridge replacement or rehabilitation, sight distance corrections,

railroad crossing work, signal and sign work, etc. The time frame to construction for these types of projects is typically three to seven years from date of approval.

Regardless of time frame, new projects are proposed during an annual call for new project proposals. They are entered as proposals directly into the Scheduling and Project Management System (SPMS) and then reviewed by special committees known as Program Management Groups (PMGs).

Near Term Scheduling (now to 3 years into future)

This is a time when it is too late to introduce the construction phase of most new projects. They just can't be developed in time to go to construction within three years of being programmed and authorized. However, existing projects may be deleted or deferred. Other changes or adjustments might be changes to the fiscal picture of the project, or its schedule of activities.

Most transportation improvement program (TIP) documents cover at least this three-year period. It is these documents from state departments of transportation and metropolitan planning organizations (MPOs) that show how available resources have been paired with projects. Because the costs of programmed projects usually exceed available funds, the prioritization of projects is especially important for this time period. State and MPO TIPs address this problem by listing only those project for which funding is being committed.

Other Factors

There are other factors that must be considered before projects can be let for construction, or before federal-aid will be made available. These involve air quality

and other environmental issues, public involvement procedures, long-range plan conformance, budget estimates and expenditures, and environmental justice concerns. There must also be agreement with MPOs and non-metropolitan communities on the content of the program in areas under their jurisdiction. In addition, the program of projects under development must be reviewed and renewed annually to make sure that it reflects the latest budget figures and policy directives.

Programming Process

It also takes a well thought out and documented approach to bring all these elements together in building a program of projects. The process that does this is called the *Program Development Process* or *PDP*, for short. What follows is a description of each stage of this annual process. Please note that although the PDP in a broader sense covers local and state projects, this document addresses only those sponsored by INDOT on highway routes under its jurisdiction, i.e. federal and state routes.

Ongoing Management of Existing Program

In the interests of good program management, the Programming Section, Division of Program Development will monitor the *existing* program of projects, gain a current understanding of its content, solicit comments, and reach consensus on any needed changes. The *product* of this activity will be agreement on an **existing** highway program across INDOT divisions and districts on **existing** projects. This will be done as follows.

Program Summary Reports

Monthly Program Summary Report

The Programming Section, Division of Program Development, will analyze the contents of the schedule of projects under development and produce a brief *Overall Program Summary Report* of the program. The report will illustrate the total cost of the program by year, by work type, by district and by any other factors deemed necessary. This report will be issued monthly.

Quarterly PMG Status Report

In addition, each Program Management Groups (PMG) will prepare a *PMG Status Report* on the condition of each category of work in the program for which they are responsible, such as the bridge, transportation enhancement (TE), interstate, CMAQ and resurfacing programs. A list of these groups is attached in Appendix C. This report will be issued quarterly

Distribution of Reports and Request for Comments

The Programming Section will distribute the *Program Summary Report* to the INDOT Divisions of Budget and Fiscal Management, Multi-modal, Environment Planning and Engineering, Program Development (Management Systems Section), Design, Land Acquisition, FHWA, FTA, INDOT Program Management Groups (PMGs) and INDOT district offices and MPOs.

These recipients may review and comment on any issues, including over-programming, under-programming, project priorities, project justification, planning issues, route transfer issues, multi modal opportunities, legislative direction and budget considerations. Comments will be returned to the Programming Section for appropriate action.

Stage I: Call for New State Projects & Program Revisions

Purpose: To start the process by which proposals for new state projects, regardless of source, can be presented, reviewed, prioritized and, if approved, programmed. In addition, the call will provide opportunities for agencies outside of INDOT to comment on the existing program. Although changes to the existing projects can occur at any time, proposals for new projects can be submitted only in response to a call for new projects.

A. Get Budget Estimates

The Programming Section will ask the Division of Budget & Fiscal Management to provide budget *estimates* of projected federal and state revenue for the next ten years. This will be by individual fiscal year, statewide

B. Issue Call for New Projects

The Programming Section, Division of Program Development will issue a formal “call for new projects” to all INDOT district offices, all MPOs, the Division of Multi – Modal Transportation, the Division of Environment Planning and Engineering, Division of Program Development, the Intelligent Transportation Systems (ITS) Engineer and the Toll Road District.

For agencies outside of INDOT, this call will consist of the following materials.

To MPOs:

- A summary of all state projects under development in the schedule within the boundaries of the MPO’s metropolitan planning area (MPA). See Appendix D for which counties, or other areas, are included for each MPO for this purpose.
- Project Proposal Forms (See Appendix E

for one of these forms) by which they can propose new projects to an INDOT District Office.

For Rural Area Local Elected Officials:

- They will be notified by the appropriate INDOT District Office that the call for new state projects is in progress.
- They will be instructed to contact their INDOT district offices and MPO/RPO (if any) to provide their suggestions concerning state highways. The District Office will provide Project Proposal Forms, if requested.

C. Proposals for New Projects

This is a District led process. All recipients of the call for new projects will have the opportunity to comment on INDOT's existing program of projects and/or prepare proposals for new projects for submittal to the District Office. Such proposals would be in addition to those new projects proposed by the District.

Whereas the District Office can propose projects directly into SPMS, others cannot. They must complete the INDOT Project Proposal Form (FA-S) and submit them to the district. If approved, the district will then propose the project into SPMS. These forms are not sent to the Programming Section but are retained by the district.

Any proposal, however submitted, must include sufficient descriptive information such as type of work, termini, length, design concept, scope, and location. In addition, all new project proposals must be submitted with justification. This can include, but not be limited to, a needs assessment of what problem this project solves, level of support from the public, environmental justice issues, and any planning documents relevant to the proposal.

Participants may also provide any comments they have concerning the existing program. This might be recommendations to delete, advance, or change the scope of work of existing projects.

Although recommendations and project proposals can be provided to the District Office in any number of ways, one primary meeting will be held to discuss the existing and proposed program of projects.

D. District Area/MPO/LPA Early Consultation Meeting Process

The District Offices will work with the Division of Program Development to arrange and host meetings in each district to discuss proposed projects, the INDOT Long Range Transportation Plan, and other transportation issues that may arise.

The District Offices will lead the process of establishing needed contacts, arranging meeting particulars and act as hosts.

Although a District may hold any number of meetings throughout the year, there will be one primary and distinct meeting in each District focusing on consultation with local elected officials and rural planning organizations (RPOs). It will include the District Office, MPOs, and representatives from other INDOT Divisions, as warranted. Please note that the elected officials within an MPO area are usually represented by the MPO. For communities outside an MPO, input from elected officials is sought. This can be a mayor, town manager, or county commissioner. It will be the responsibility of the elected officials of these "rural" area communities (outside the jurisdiction of an MPO), to be aware of those issues important to their constituents, and to encourage their

attendance.

The primary meeting will be set at a time and place agreeable to the majority of participants. Minutes of the meeting will be taken.

The purpose of the meeting is to reach agreement between all parties, through consultation, coordination and cooperation, on the following.

- proposed new state projects, if any
- changes, if any, to the existing program of state and local projects
- the relative priorities of recommended state projects within and across project categories

The goal of these meetings is to produce an “agreed-to list” of existing and proposed new state projects district-wide including those in MPO metropolitan planning areas.

E. Final Recommendations Submitted

Based on the results of the consultation meeting(s), each district will then submit its prioritized list of proposed district area projects to the Programming Section directly into SPMS.

This list will include projects proposed by others and for which agreement has been reached.

Minutes of the consultation meeting will also be submitted by each district office to the Programming Section along with a short report describing how priorities were set.

Stage II: Statewide Review and Program Update

Purpose: To review recommendations to

validate needs and costs, prioritize projects statewide and add new projects to the program. The process is one in which the district priorities and project recommendations are assembled into a statewide program.

A. Program Management Group Reviews

The Division of Program Development will review project proposals and changes through its Program Management Groups (PMGs). These groups are organized based on the type of project, regardless of district area.

They will check to ensure estimated costs for recommended projects are in accordance with the latest official cost estimating techniques, and perform any other cost validation duties, as necessary.

The PMGs will also validate project justification. For example; the Planning Section will work within the appropriate PMG to determine if any proposed expansion projects have the needed support from the state's long-range transportation plan and any MPO plans. If a project does not prove to have the needed justification and planning support from these plans, the Planning Section will coordinate the analysis with the district and any applicable MPO and reach a determination about the future of the project.

Each PMG will then produce a prioritized list statewide for the type of project under its review.

This prioritized list of projects with clear justification and planning support will be forwarded to the statewide priority analysis stage.

B. Statewide Priority Analysis

The Division of Program Development will

then prioritize all proposed projects statewide based on the recommendations from the PMGs. This statewide prioritization will be conducted in accordance within applicable INDOT procedures and techniques. These will be appropriate to the project type. This process will be based on need, project categories, and agency priorities rather than past funding patterns. In other words, the budget will support current and projected improvement needs, instead of projects being programmed solely to fit a budget based on historical funding patterns.

C. Draft Program Update Report

A draft *Program Update Report* will summarize new project proposals and show how the new state projects will appear in INDOT's schedule of programmed projects. The report will also illustrate the effects of the new projects on the program and the budget, and set accepted levels of over-programming. The report will also include a list of projects to be deleted from the schedule, or placed on hold, etc., if any.

D. Executive Review and Approval of Report

The Division of Program Development will submit the *Draft Program Update Report* to the Deputy Commissioner of Planning and Multi-modal Transportation for review and approval by members of the executive office as determined by the deputy commissioner in consultation with the commissioner.

The deputy commissioner will transmit any executive office comments and official notice of approval to the division as expeditiously as practicable, including any specific direction or amendments required.

The Division of Program Development will revise the draft *Program Update Report* in

accordance with the executive office action.

E. External Consultation

The Division of Program Development will provide the revised draft *Program Update Report* to the districts and the MPOs and request comments. At this point, the MPOs may seek public comments via their established procedures. Any concerns must be documented in writing.

F. Final Program Update Report

The Division of Program Development will address the district and MPO comments, if any, and produce a *Final Program Update Report*. The Chief, Division of Program Development, will determine if comments are sufficiently substantive to require further approval by the deputy commissioner before the report becomes final.

G. Program Update and Budget Confirmation

The Division of Program Development will then authorize new projects in SPMS and change the existing program to reflect the *Final Program Update Report*.

This involves authorizing those proposed projects that have been approved, or directing changes to existing projects in the program. In other words, actions recommended as a result of the call for projects and the district early coordination meetings will now be reflected in the program of state projects as shown in the production schedule.

At the same time, the Division of Budget & Fiscal Management will also provide the Programming Section of Program Development with updated budget *estimates* of projected federal and state funding for the next 10 years by fiscal year. These budget projections are the projections against which

fiscal constraint limits are established for all state projects in the next *Indiana Statewide Transportation Improvement Program* (INSTIP).

Stage III: Full Project Listing and Directory of State Projects

Purpose: To produce a program document reflecting a forecast of all INDOT statewide projects currently under development.

A. Listing of State Highway Projects

The Programming Section will download from the updated SPMS a list of all INDOT authorized highway-related projects now under development, regardless of the source of funding. It assumes that there are no constraints imposed by budget limitations. The product of this activity will be considered the *Full Project List* of state sponsored projects. A list of those projects inside the metropolitan planning area (MPA) of an MPO will be sent to each appropriate MPO for their information, review and comment, if they wish.

B. Directory of State Highway Projects

The Programming Section will use the Full Project List of state projects to prepare an *Annual Directory of Highway Projects*. This directory is simply an updated list of all state projects currently under development at INDOT. It assumes no budget restrictions and provides a convenient means to reference the contents of the production schedule. Projects added since the last publication of the directory will be noted as such.

Stage IV: Draft INSTIP Development

A. Draft Constrained List of State Projects

Purpose: To produce a program document reflecting a fiscally constrained forecast of INDOT statewide projects for federal aid obligations during the next three federal fiscal years.

The Scheduling Section, Division of Budget and Fiscal Management will develop a fiscally constrained program of INDOT highway projects. The product of this process is a draft; constrained list of projects to be used as a basis for developing that portion of the next 3-year INSTIP devoted to INDOT sponsored projects. This draft constrained list will include not only projects seeking federal aid, but all regionally significant projects for which a federal action is required, whether the projects are funded with federal, state or local resources. No changes are made to the schedule from this process. Pre-engineering and right-of-way phases are not moved for the purposes of fiscal constraint.

B. Internal INDOT Review & Draft Constrained List

The Scheduling Section will deliver the draft fiscally constrained list of INDOT highway, projects to the deputy commissioner of planning and Multi-modal transportation for executive office review and comment. They will also deliver the draft constrained list to the districts, the Division of Multi-modal Transportation, the Division of Program Development, P.M.G.s, and the ITS engineer for review and comment. This review is to ascertain the effects of fiscal constraint in terms of obligations and potential conflicts. Comments will then be provided to the Division of Budget and Fiscal Management.

Stage V: INSTIP Development and Coordination with MPO TIPs

Purpose: To coordinate the content of the draft INSTIP with the draft TIPs from the MPOs.

A. MPO Consultation on Draft Constrained List

The Scheduling Section will provide the draft, constrained list to the MPOs for review and comment to ascertain the effects of fiscal constraint in terms of obligations and project conflicts. This list will show not only the first three years of the INSTIP, but the next two years as well. In this way, the MPOs can clearly see which projects (if any) had their construction phases moved from the first three years. Comments will then be returned to the Division of Policy and Budget.

B. Agreed-To Project List Prepared

Based on comments received, the Scheduling Section will modify the draft constrained list as appropriate or necessary, and it will become the final fiscally-constrained “agreed-to list” of INDOT highway, projects for the first three years of the next INSTIP.

C. List to MPOs for TIP Development

The Scheduling Section will then send to all MPOs the “*final fiscally-constrained agreed-to list of state highway projects*”. They will also request that the MPOs include in the development of their draft Transportation Improvement Programs (TIPs), those *state* projects from the list that are located in their respective metropolitan planning areas. These lists will cover a period of at least three, but no more than five, fiscal years. Draft MPO TIPs will then undergo further development by the MPOs.

Their procedures will include an opportunity for public review and comment.

The product of these activities is a draft fiscally constrained program of state projects in each MPO TIP.

D. MPO Submittal of TIPs to INDOT, FHWA, AND FTA

When an MPO completes development of its draft TIP, the MPO will send 4 copies of the draft to the Scheduling Section for review and comment. They, in turn, will distribute one copy each to the Inter-Modal Division, Planning Section, and Programming Section, Division of Program Development and to FHWA.

Each TIP must have been adopted by its policy board and include a copy of the resolution approving the document. For MPOs designated as maintenance or non-attainment for air quality, the MPO must send a draft TIP to the reviewing agencies for conformity consultation purposes.

E. MPO TIP Review and INSTIP/TIP Project Compatibility Check

The purpose of this step is to compare the draft INSTIP to the draft MPO TIPs. This is to ensure that both reflect the fiscally constrained agreed-to list of *state* transportation projects in their metropolitan planning areas.

The draft TIPs will also be reviewed for conformance with public involvement, air quality, long range plan and other requirements. The Division of Budget and Fiscal Management will ensure that *state* highway projects in approved MPO TIPs are included in the INSTIP without modification. The public Transit Section will ensure that transit projects in approved MPO TIPs are included in the INSTIP

without modification.

F. INDOT Notification of Tip Reviews

If the TIP is approved, a letter of approval signed by the Governor, or designee, will be sent to the MPO. A copy of the letter is sent to the FHWA and the FTA. However, for MPOs designated as maintenance or non-attainment for air quality, the MPO must first send the final TIP to the reviewing agencies for conformity consultation purposes and a conformity finding by FHWA and FTA before it can be approved by the Governor, or designee.

Stage VI: INSTIP PUBLICATION

Purpose: To publish a draft INSTIP, provide for public comment on the draft and publish a final *Indiana Statewide Transportation Improvement Program*.

A. INSTIP Preparation

The Scheduling Section will then prepare the draft INSTIP document for the next three fiscal years, using the final fiscally constrained agreed-to list of transportation projects.

B. Public Review and Comment Period of INSTIP

The draft INSTIP will be presented for public review and comment via INDOT sponsored annual meetings at each of its districts. These meetings are developed and conducted under the leadership of the Division of Program Development. Comments from the public and local elected officials will be reviewed and addressed. The Division of Program Development will contact the MPOs and districts for comments on any significant changes resulting from these reviews. The *product* of this activity will be a final draft INSTIP with public review and input. Any

comments received at the INSTIP meetings will be summarized in the INSTIP document accompanied with a response to comments.

C. FHWA and FTA Review of INSTIP

The Scheduling Section will submit the final draft INSTIP to FHWA and the FTA for review and comment. If approved, transportation projects in the first three fiscal years of the INSTIP will be considered *committed projects*. The Division of Budget & Fiscal Management will obligate federal funds for *only* these committed projects.

D. Publication and Distribution of Final INSTIP

The Scheduling Section will then publish the approved INSTIP. Paper copies will then be distributed to the MPOs, the districts, the *state* Library, the INDOT Executive Office, FHWA, FTA, and those INDOT divisions requesting the INSTIP, as the budget allows. Copies of the INSTIP will also be sent to local public agencies and private corporations by request. INDOT will maintain an electronic version of the INSTIP. This database will be accessible to the FHWA and FTA.

The process then is repeated for the next year.

INSTIP Program Support Functions and Amendments -Overview

During the period between approval of one INSTIP and the next, procedures will be in place to assure that the fiscally constrained program of committed projects is reflected in funding obligations, and that changes and amendments are properly coordinated within INDOT and, if needed, with MPOs.

Support Functions. Details of these support functions are provided in the Programming Section's procedures entitled "Program Support Functions. For purposes of this process, the support functions provide for the following.

- Federal funds may be obligated for only committed projects as defined in this plan.
- All committed projects from the INDOT/MPO agreed to list must be programmed into both the INSTIP and the respective MPO TIP for federal obligations to occur.
- The INSTIP may be amended per a process agreeable to INDOT, the MPOs, FHWA and FTA. The rules governing amendments are shown in the *INDOT/FHWA/FTA INSTIP Amendment and Notification Criteria*.
- The INDOT Executive Office, the Division of Program Development, the Division of Multi-Modal Transportation, the Division of Budget & Fiscal Management, and the District Offices will work together to support procedures outlined in this plan. Also, the Program Development Process and its support functions are open for review and modification, as needed.

F. Important Attachments in Appendix

The following appendixes are attached.

- Appendix A: PDP(S) Annual Timetable
- Appendix B: *INDOT/FHWA/FTA INSTIP Amendment and Notification Criteria*
- Appendix C: Table of Program Management Groups (PMGs)

PDP-S 8.doc